

**MEMO ENDORSED****McCormick & O'Brien, LLP**42 West 38<sup>th</sup> Street  
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**Via Facsimile and  
Regular Mail**Honorable Justice P. Kevin Castel  
United States District Court  
Southern District of New York  
Daniel Patrick Moynihan United States Courthouse  
500 Pearl St., Room 2260  
New York, NY 10007  
(212)805-7949

May 22, 2007

*Plaintiff should respond.  
If no objection is filed by  
May 31, I will grant the  
application as to the \$21,000.  
SO ORDERED.***Re: Securities and Exchange Commission v. Empire Development Group  
LLC, Empire Development Group Fund I, LLC, Castle Hill Ventures,  
LLC, Felix Strashnov a/k/a Felix Stranton and Michael Ayngorn  
07 Civ. 3896 (PKC)***USDJ  
5-22-07*

Dear Justice Castel:

We represent Defendant Empire Development Group LLC ("Defendant Empire") in the above-referenced matter.

We are in receipt of the Court's Order to Show Cause, Temporary Restraining Order and Order Freezing Assets and Granting Other Relief dated May 18, 2007 (the "Order"). Section IX of the Order, which prevents Defendant Empire and those in active concert or participation with it from using any assets, funds or other property held directly or indirectly by Defendant Empire, appears to preclude the use of the funds deposited by our client in its escrow account for legal representation.

We were retained by Defendant Empire on May 2, 2007, prior to the issuance of the Order, to assist it with a legal analysis of its private placement offerings and to respond to certain of the Securities and Exchange Commission's inquiries. Our client has provided us with a retainer of \$21,000 prior to the issuance of the Order. We ask the Court for permission to utilize these funds so that we may represent Defendant Empire through the timely completion of the expedited discovery and deposition process. We are a small firm and simply cannot represent clients without compensation. Accordingly, we humbly request clarification of the Order with respect to the usage of Defendant Empire's retainer to cover legal fees.

Sincerely,

  
Liam O'Briencc: Mark K. Schonfeld, Esq.  
Dina G. Stetch, Esq.